

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

INDIANAPOLIS

OFFICE MEMORANDUM

DATE: December 20, 2006

TO: File

FROM: Steve Mojonnier, Senior Environmental Manager

SUBJECT: Fiscal Impact of the 2006 Hazardous Waste Annual Update to 329 IAC 3.1; LSA Document #06-556

Under IC 4-22-2-28 and IC 4-3-22-13, IDEM has estimated that the economic impact of the proposed amendments to rules for hazardous waste management at 329 IAC 3.1 will be less than five hundred thousand dollars (\$500,000) on the regulated entities. The economic impact analysis for this rule will not be submitted to the Office of Management and Budget.

IDEM's estimate of the economic impact of the federal changes adopted in this rule is attached.

2006 Hazardous Waste Annual Update, LSA Document #06-556

Analysis of Economic Impact of Federal Changes

Provision	Estimated Fiscal Impact
Hazardous Waste Management System; Standardized Permit for RCRA Hazardous Waste Management Facilities (September 8, 2005; 70 FR 53420)	EPA estimates a potential annual regulatory relief to eligible facilities of \$10.0 million to \$12.3 million per year. Assuming Indiana as 2% of the national economy, this rule would provide an annual cost savings of \$200,000 to \$246,000, assuming the same percentage of eligible facilities as the nationwide distribution. (See Part VII. Regulatory Assessments, Section A.1. "Assessment of Potential Costs and Benefits", 70 FR 53445).
Revision of Wastewater Treatment Exemptions for Hazardous Waste Mixtures (" <i>Headworks Exemptions</i> ") (October 4, 2005; 70 FR 57769)	EPA estimates that the overall national economic effect of this rule is \$11.4 million to \$48.6 million in average annual potential cost savings for RCRA regulatory compliance. Assuming Indiana as 2% of the national economy, this rule would provide an annual cost savings of \$228,000 to \$972,000 to regulated entities in Indiana (See Part VI. Statutory and Executive Order Reviews, Section A. "Executive Order 12866: Regulatory Planning and Review", 70 FR 57780-57781.)
National Emission Standards for Hazardous Air Pollutants: Final Standards for Hazardous Air Pollutants for Hazardous Waste Combustors (Phase I Final Replacement Standards and Phase II)(<i>MACT Rule</i>) (October 12, 2005; 70 FR 59402)	EPA estimated the total social costs for this rule at \$22.6 million per year. Assuming Indiana as 2% of the national economy, the total social costs of this rule in Indiana would be \$452,000 per year. (See the discussion of the economic impacts of this rule in Part Six: Impacts of the Final Rule, at 70 FR 59529-59537 and in the studies referenced in the final rule.)
Cross-Media Electronic Reporting (<i>CROMER</i>) (October 13, 2005; 70 FR 59848)	EPA made conforming changes in the hazardous waste program, however, this program will not be implemented until Indiana adopts separate rules to implement electronic reporting.
Resource Conservation and Recovery Act Burden Reduction Initiative (April 4, 2006; 71 FR 16862)	EPA estimates that the reporting and recordkeeping cost burden reduction for this rule ranges from approximately \$2 million to \$3 million. Assuming Indiana as 2% of the national economy, the total burden reduction of this rule to regulated entities in Indiana would be \$40,000 to \$60,000. (See Part VII. Statutory and Regulatory Reviews, Section B. "Paperwork Reduction Act", 71 FR 16899.)
Hazardous Waste and Used Oil; Corrections to Errors in the Code of Federal Regulations (July 14, 2006; 71 FR 40254)	This rule corrects technical and other errors in the Code of federal Regulations. Because this rule does not create new regulatory requirements or administrative burdens, EPA did not quantify the economic impact of this rule.
Hazardous Waste Management System; Modification of the Hazardous Waste Program; Cathode Ray Tubes (July 28, 2006; 71 FR 42928)	EPA estimated that this rule will save CRT handlers \$5.0 million per year compared to the scenario which assumed that all affected entities followed the standard Subtitle C (hazardous waste) regulations. Assuming Indiana as 2% of the national economy, the total savings to regulated entities in Indiana would be \$100,000. (See Part VI. Statutory and Executive order Reviews, Section A. "Executive order 12866: Regulatory Planning and Review", 71 FR 42944-42945.)
Reduce the maximum concentration for ground water protection for arsenic to 0.010 milligrams per liter (mg/L) in 329 IAC 3.1-9-2(11) to be consistent with the new maximum contaminant level (MCL) for arsenic in "National Primary Drinking Water Regulations; Arsenic and Clarifications to Compliance and New Source Contaminants Monitoring" (January 22, 2001; 66 FR 6976-7066). The new federal MCL for arsenic took effect on January 23, 2006.	Any increased costs to these facilities result from the federal rule change. While EPA estimated significant costs and benefits for this rule, the implementation of the new MCL in this update will only affect those RCRA facilities that have arsenic as a ground water monitoring constituent and will have to take extra measures to meet the new limit. Very few, if any, facilities would enter corrective action as a result of this change. IDEM will continue to help these facilities meet the new federal standard and control any resulting costs.
Estimated annual fiscal impact of known costs	Annual cost savings = \$116,000 to \$926,000. All cost savings under this rule result from federal rule changes.